

**DIRECT TESTIMONY**

**OF**

**GREG ROCKROHR**

SAFETY AND RELIABILITY DIVISION  
ILLINOIS COMMERCE COMMISSION

MidAmerican Energy Company  
d/b/a MidAmerican

DOCKET NO. 14-0494

Application of MidAmerican Energy Company for (i) a Certificate of Public Convenience and Necessity, pursuant to Section 8-406 of the Public Utilities Act, to construct, operate and maintain a 345,000 volt electric transmission line in Rock Island, Mercer, Henry and Knox Counties, Illinois; (ii) an order pursuant to Section 8-503 of the Public Utilities Act approving construction of the 345,000 volt electric transmission line; (iii) an order pursuant to Section 8-509 of the Public Utilities Act authorizing use of eminent domain; and (iv) such other relief as may be necessary.

December 11, 2014

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### Attachments:

- A: MEC's Response to Staff DR ENG 1.6.
- B: MEC's Response to Staff DR ENG 3.10.
- C: MEC's Response to Staff DR ENG 1.11.
- D: MEC's Response to Staff DR ENG 3.15.
- E: Docket 14-0572, Appendix A, page 34.
- F: Docket 14-0572, Appendix D.

1 **Introduction**

2 Q. **What is your name and business address?**

3 A. My name is Greg Rockrohr. My business address is 527 East Capitol Avenue,  
4 Springfield, Illinois 62701.

5 Q. **By whom are you employed and in what capacity?**

6 A. I am employed by the Illinois Commerce Commission ("Commission") as a  
7 Senior Electrical Engineer in the Safety and Reliability Division. I review various  
8 planning and operating practices of electric utilities that operate in Illinois and  
9 provide opinions or guidance to the Commission through staff reports and  
10 testimony.

11 Q. **What is your previous work experience?**

12 A. Prior to joining the Commission Staff ("Staff") in 2001, I was an electrical  
13 engineer at Pacific Gas and Electric Company in California for approximately 18  
14 years. Prior to that, I was an electrical engineer at Northern Indiana Public  
15 Service Company for approximately 3 years. I am a registered professional  
16 engineer in the state of California.

17 Q. **What is your educational background?**

18 A. I hold a Bachelor of Science degree in Electrical Engineering from Valparaiso  
19 University. While employed in the utility industry and at the Commission, I have  
20 attended numerous classes and conferences relevant to electric utility  
21 operations.

22 Q. **What is the purpose of your testimony?**

23 A. On August 4, 2014, MidAmerican Energy Company, d/b/a MidAmerican ("MEC")  
24 filed a petition requesting that the Commission: (i) grant it a Certificate of Public

Convenience and Necessity ("CPCN") pursuant to Section 8-406 of the Illinois Public Utilities Act ("Act") (220 ILCS 5/8-406) to construct, operate, and maintain a new 345 kilo-volt ("kV") electric transmission line in Rock Island, Mercer, Henry and Knox Counties, Illinois; (ii) issue an order pursuant to Section 8-503 of the Act (220 ILCS 5/8-503) approving construction of the transmission line; and (iii) issue an order pursuant to Section 8-509 of the Act (220 ILCS 5/8-509) authorizing its use of eminent domain. My testimony provides and explains my recommendations regarding MEC's requests.

As the Second Revised Case Management Plan requires<sup>1</sup>, my direct testimony is segregated into two documents: the first, Staff Exhibit 1.0N, discusses the need for MEC's proposed 345 kV transmission line, and the second, Staff Exhibit 1.0, discusses issues other than need.

**Q. What have you concluded regarding MEC's requests?**

A. As I discuss in Staff Exhibit 1.0N, MEC needs to provide additional information in order to adequately demonstrate that its proposed 345 kV transmission line is necessary and should be constructed. In its recent decision in Docket 12-0560, the Commission approved a different transmission line proposed by Rock Island Clean Line LLC, which, after it is constructed, will likely affect power flows on MEC's transmission system. I recommend that MEC provide and explain power flow analyses that include Rock Island Clean Line LLC's approved project.<sup>2</sup>

If the Commission concludes that MEC's proposed 345 kV transmission line is needed, my position is that MEC's proposed route is the least-cost available route. I also conclude that MEC made reasonable attempts to acquire the

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<sup>1</sup> Second Revised Case Management Plan, October 20, 2014, 3.

<sup>2</sup> Staff Ex. 1.0N, 15.

easements it needs to construct its proposed project by negotiating with landowners. Since MEC's proposed 345 kV transmission line is only one component of a larger transmission project identified as MISO's MVP-16, however, the Commission should grant the relief MEC seeks only with the condition that certain other related components of MISO's MVP-16 also receive Commission approval: in particular ATXI's request for a CPCN in Docket No. 14-0514. The Commission would then ensure that MEC only constructs its \$69 million project if the remaining segment of the 345 kV line that is part of MVP-16 is also constructed.

#### **Overview of MEC's Request**

**Q. What does MEC's petition request?**

A. MEC seeks the Commission's approval to construct a new 345 kV transmission line between Oak Grove<sup>3</sup> and East Galesburg, and to use eminent domain authority with respect to specific properties along its proposed transmission line route. MEC anticipates completion of line construction by December 1, 2016.<sup>4</sup> MEC explains that its proposed 345 kV transmission line between Oak Grove and East Galesburg is just one component of a larger project identified by Midcontinent Independent System Operator, Inc. ("MISO") as Multi-Value Project Number 16 ("MVP-16").<sup>5</sup> MVP-16 is a project within both MEC's and Ameren's service areas, and both companies plan to construct specific components of MVP-16. The components of MVP-16 for which MEC and Ameren individually or jointly have responsibility include:

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<sup>3</sup> Oak Grove is the location of MEC's substation south of the Quad Cities. The Quad Cities include Davenport and Bettendorf in Iowa, and Rock Island and Moline in Illinois.

<sup>4</sup> MidAmerican Ex. 2.0, 11.

<sup>5</sup> MISO Multi-Value Project Number 16; MidAmerican Ex. 3.0N, 4-6.

- 70 • Construction of a new +/-72-mile 345 kV transmission line that connects  
71 the Quad Cities area to the Peoria area via a new substation in Galesburg.  
72 MEC is responsible for and plans to construct the northern segment, about  
73 32 miles (this docket), and Ameren Transmission Company of Illinois  
74 (“ATXI”) plans to construct the southern segment, about 40 miles (Docket  
75 No. 14-0514).
- 76 • Construction of a new 161 kV line that connects the Quad Cities area to  
77 the Galesburg area. MEC is responsible for constructing the new 161 kV  
78 line to wholly replace its existing 161 kV line between the Quad Cities area  
79 and the Galesburg area. MEC plans for the new higher-capacity 161 kV  
80 line to be supported by the same steel poles that support the 345 kV line  
81 that is the subject of this docket, so that the new transmission line  
82 between the Quad Cities area and the Galesburg area would be a double-  
83 circuit 345/161 kV transmission line. MEC plans to completely remove the  
84 existing 161 kV conductor, crossarms, insulators, and wooden poles when  
85 it constructs the new 345/161 kV double-circuit line on single-shaft steel  
86 poles generally along the same route as its existing 161 kV line.
- 87 • Construction of new 345 kV substation facilities by MEC at Oak Grove  
88 Substation, in the Quad Cities area.
- 89 • Replacement of existing conductor by MEC with higher capacity conductor  
90 on an existing 161 kV line connecting its Substation 56 to its Substation  
91 85, in Iowa.
- 92 • Construction of a new transmission substation in East Galesburg,  
93 identified as “Sandburg Substation”, by ATXI. This proposed substation

includes installation of a new 560 MVA 345/138 kV transformer. MEC's proposed double-circuit 345/161 kV transmission line is to terminate at ATXI's proposed Sandburg Substation.

- Expansion by ATXI and/or Ameren Illinois Company ("AIC") of AIC's existing Fargo Substation, near Peoria, where ATXI's proposed 345 kV transmission line would terminate.
- Upgrade, relocation, and reconfiguration by ATXI and/or AIC of existing 138kV facilities in the Galesburg area to integrate MEC's proposed double-circuit 345/161 kV transmission line, ATXI's proposed 345 kV transmission line, and ATXI's proposed Sandburg Substation into the existing transmission system.

As the above list of separate components illustrate, MEC's request in this docket does not include all of the work necessary to complete MVP-16. MEC's petition covers only the northern 32 miles of one component: the new 72-mile long 345 kV transmission line between the Quad Cities area and the Peoria area. Specifically, MEC's proposed 345 kV transmission line that is the subject of this docket would be routed between MEC's Oak Grove Substation and ATXI's proposed Sandburg Substation, in East Galesburg.<sup>6</sup>

**Criteria for a CPCN**

**Q. What must MEC demonstrate to the Commission prior to receiving a CPCN?**

**A.** Section 8-406(b) of the Act, in relevant part, states:

The Commission shall determine that proposed construction will promote the public convenience and necessity only if the utility

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<sup>6</sup> Petition, 1, 7-8.

demonstrates: (1) that the proposed construction is necessary to provide adequate, reliable, and efficient service to its customers and is the least-cost means of satisfying the service needs of its customers or that the proposed construction will promote the development of an effectively competitive electricity market that operates efficiently, is equitable to all customers, and is the least cost means of satisfying those objectives; (2) that the utility is capable of efficiently managing and supervising the construction process and has taken sufficient action to ensure adequate and efficient construction and supervision thereof; and (3) that the utility is capable of financing the proposed construction without significant adverse financial consequences for the utility or its customers.

Though I am not an attorney, I generally understand the above citation from the Act to require MEC to demonstrate to the Commission that: (i) MEC's proposed 345 kV line is "needed", i.e., necessary to provide reliable service to customers or will promote the development of an effectively competitive electricity market and is the least cost means of achieving either of those objectives, (ii) MEC is capable of efficiently managing and supervising construction and has taken steps to ensure adequate and efficient supervision and construction, and (iii) MEC can fund the proposed construction without adverse financial consequences.

**Q. Did MEC make all of the required demonstrations in its petition and direct testimony?**

A. No. With respect to requirement (i) above, it is my opinion that MEC's demonstration of need should include consideration of the Commission's November 25, 2014 order that grants Rock Island Clean Line LLC a CPCN for a high-voltage DC line connecting Iowa to northeastern Illinois.<sup>7</sup> My discussion about project need is contained in ICC Staff Ex. 1.0N.

With respect to requirement (ii), MEC witness Mr. Steve J. Ambrose asserts that MEC is capable of efficiently managing and supervising the construction process.

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<sup>7</sup> Rock Island Clean Line LLC, ICC Order Docket No. 12-0560 (Nov. 25, 2014).



MEC currently owns and operates over 4,300 miles of transmission lines in Illinois, Iowa, Missouri, and South Dakota, approximately 1000 miles of which are 345 kV lines, and is seeking approval in Iowa to construct two separate double-circuit 345/161 kV transmission lines totaling 192 miles in length.<sup>8</sup> Given MEC's experience with similar transmission lines and projects, I have no reason to doubt that MEC is capable of constructing the 345 kV transmission line that is the subject of this docket.

With respect to requirement (iii), Staff witness Michael McNally discusses MEC's financing capabilities in ICC Staff Ex. 2.0.

**Route**

**Q. Why does MEC propose to use the route of its existing 161 kV transmission line for its proposed 345 kV transmission line?**

A. MEC states that using the existing line's corridor would reduce impacts because the new double-circuit 345/161 kV line would not cross new properties.<sup>9</sup> As Exhibit A to its petition illustrates, the existing 161 kV line connecting Oak Grove to Galesburg follows a straight route, which results in a shorter and less costly line.

**Q. If the Commission approves MEC's proposed route, can MEC install its proposed 345 kV line using only existing easements?**

A. No. MEC's existing 161 kV transmission line occupies 100-foot wide easements, and MEC requires 150-foot wide easements for the double-circuit 345/161 kV transmission line that it plans to install. The easement width is generally determined by the distance the transmission conductors could be blown during

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<sup>8</sup> MidAmerican Ex. 1.0, 6-7.

<sup>9</sup> MidAmerican Ex. 2.0, 4.

storms or heavy winds. In other words, the width of the easement is based on the calculation that regardless of weather conditions, the conductors will not be blown outside the easement. Since the height and spacing of the transmission line structures determine how much allowable sag can occur in the conductor between the structures, the structures also determine the horizontal distance the transmission conductors could theoretically be blown during heavy winds. This means that MEC must acquire additional/expanded easements from landowners if it is to use the same route as its existing 161 kV line for its proposed double-circuit 345/161 kV line. MEC indicates that, in addition to requiring a wider easement, there are six locations where the route for the proposed 345/161 kV double-circuit line would deviate from the existing 161 kV line's route to avoid outbuildings or due to a landowner's request. For each of these six deviations, MEC worked with the affected landowner(s) to successfully identify a route modification that was mutually acceptable.<sup>10</sup>

**Q. Is MEC's proposed route for its double circuit 345/161 kV line the least cost route available?**

**A.** Yes. I am unaware of another route that is more direct and that would utilize more of MEC's existing easements. I fully support MEC's proposal to use the corridor that its existing 161 kV line occupies for its proposed double-circuit 345/161 kV transmission line. Since MEC will remove its existing 161 kV transmission line, including the existing multi-pole wooden structures, landowners along the route will generally benefit. This is because MEC plans to replace its existing multi-pole wooden structures with single-shaft steel poles,

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<sup>10</sup> MidAmerican Ex. 2.0, 5.

which have a smaller footprint and would be less of an obstacle for farmers.<sup>11</sup> In addition, MEC will require fewer poles because greater span lengths are possible with the steel poles. I find MEC's proposed route to be logical, and the best available.

**Q. Are you aware of any specific environmental issues associated with this route that MEC has considered, or still must consider?**

A. Yes. The existing 161 kV transmission line spans the site of a cemetery that the Illinois Historic Preservation Agency identified as a site that might require special consideration during construction. MEC plans no excavation at the site of this cemetery, but the presence of this cemetery might mean that MEC must modify its construction practices when removing the existing 161 kV line and installing its new double-circuit 345/161 kV conductors.<sup>12</sup> MEC also contacted the Illinois Department of Natural Resources, the Illinois Environmental Protection Agency, the United States Fish and Wildlife Service, and United States Corps of Engineers about the proposed transmission line. I am aware of no issues identified by these agencies that would preclude MEC from constructing its project on the route that it proposes. Furthermore, MEC states it will obtain all necessary permits/approvals prior to beginning construction.<sup>13</sup> MEC also agrees that it will enter into an Agricultural Impact Mitigation Agreement that is consistent with the State of Illinois Farmland Preservation Act [505 ILCS 75] to minimize negative impacts to agricultural land. It is my understanding that, at the time of this writing, MEC has not yet entered into this agreement. Finally, MEC notified

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<sup>11</sup> MidAmerican Ex. 2.0, 6-9.

<sup>12</sup> MidAmerican Ex. 6.0, 3-4.

<sup>13</sup> MidAmerican Ex. 6.0, 4-6.

the Federal Aviation Administration about its planned project, and the FAA determined the project would cause no hazard to air navigation.<sup>14</sup>

**Eminent Domain**

**Q. Why does MEC's petition include a request for eminent domain authority pursuant to Section 8-509 of the Act?**

A. MEC requests eminent domain authority because, to date, MEC has been unable to acquire all of the easements it requires for its proposed double-circuit 345/161 kV line by negotiating with landowners. MEC indicates that it began contacting landowners in October of 2013.<sup>15</sup> At the time MEC filed its petition on August 4, 2014, MEC had obtained options for easements across 111 of the 128 tracts for which it determined easements would be necessary.<sup>16</sup> In its transmittal letter filed on e-Docket on October 30, 2014, MEC states it obtained several additional easements so that it presently seeks eminent domain authority with respect to 12 tracts.

**Q. Do you have any general concerns regarding MEC's request for eminent domain authority within its petition?**

A. No. Though I am not an attorney, it is my understanding that, prior to initiating construction, MEC will need to possess property rights for the entire route of its planned 345/161 kV double-circuit transmission line. MEC has, in most cases, been successful in reaching voluntary agreements with landowners for new and/or expanded easements. MEC seeks eminent domain authority to obtain only 12 easements out of 128 easements needed for its proposed 345/161 kV

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<sup>14</sup> MidAmerican Ex. 2.0, 10-11.

<sup>15</sup> MidAmerican Ex. 5.0, 4.

<sup>16</sup> Petition, 7.

double-circuit transmission line. Further, MEC provides information in its direct testimony about its attempts to negotiate with the landowners to obtain voluntary easements for each of these parcels.

**Q. What information has the Commission considered in prior Section 8-509 proceedings when making its decision regarding eminent domain?**

A. The Commission has previously identified and relied upon five criteria to evaluate whether the granting of eminent domain is appropriate: (1) the number and extent of contacts with the landowners; (2) whether the utility has explained its offers of compensation; (3) whether the offers of compensation are comparable to offers made to similarly situated landowners; (4) whether the utility has made an effort to address landowner concerns; and (5) whether further negotiations will likely prove fruitful.<sup>17</sup> I will discuss each of these criteria separately:

(1) Contacts with Landowners

**Q. Do you have any concerns regarding the number and extent of MEC's landowner contacts?**

A. No. In MidAmerican Ex. 5.0, MEC's witness Mr. David Lane summarizes MEC's communications with the landowners. Mr. Lane does not, to my knowledge, specifically provide the number of times MEC contacted each landowner, but it is clear from Mr. Lane's testimony that MEC has made reasonable attempts to contact each landowner in an effort to acquire easements.<sup>18</sup> In my opinion, Mr. Lane's testimony illustrates that the number and extent of MEC's landowner contacts is adequate. However, within its rebuttal testimony, I suggest that MEC provide a table or worksheet that summarizes the number of times it has

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<sup>17</sup> Ameren Transmission Company of Illinois, ICC Order Docket No. 14-0291, 4 (May 20, 2004).

<sup>18</sup> MidAmerican Ex. 5.0, 7-33.

contacted each landowner (or his/her representative). This information may be useful to the Commission when considering MEC's request.

(2) Explanation of Compensation Offers

Q. **Did MEC adequately explain the basis for its offers of compensation to landowners?**

A. Yes. MEC's response to Staff DR ENG 1.6, included with this testimony as Attachment A, provides a copy of the calculation sheet that MEC gave to landowners along with MEC's explanation of its offer calculations. It is my understanding that MEC explained its compensation offers in the same manner to all landowners. Mr. Lane's direct testimony, along with MEC's response to Staff DR ENG 1.6, convinces me that MEC adequately explained its offers of compensation to affected landowners.

(3) Compensation Offers Comparable to Offers for Similar Properties

Q. **Did MEC use a consistent methodology when determining its offers of compensation to landowners?**

A. Yes. The methodology that MEC used to determine its offers of compensation was the same for all parcels along its proposed route. Referring again to Attachment A, MEC used the same "Methods and Factors Easement Payment Calculation Sheet" for all parcels. The methodology MEC used appears to me to be reasonable. Since I have no expertise or experience with regard to property appraisals, I offer no opinion regarding MEC's actual property valuations and monetary offers.

(4) Responsiveness to Landowner Concerns

Q **Did MEC demonstrate that it attempted to address landowner concerns?**

284 A. Yes. MEC witness Lane's direct testimony provides examples of landowner-  
285 requested changes that MEC agreed with as part of its negotiations with property  
286 owners. For example, MEC explains that it is working with a landowner to  
287 alleviate drainage concerns.<sup>19</sup> As a second example, MEC agreed to amend  
288 easement language at the landowner's request.<sup>20</sup> As a third example, a  
289 landowner wanted one of AIC's distribution poles moved as a condition of  
290 granting the easement, so MEC worked with AIC to relocate the distribution pole  
291 per the landowner's request.<sup>21</sup>

292 Q. **Are you aware of any unresolved landowner concerns, other than financial**  
293 **compensation, that may have prevented MEC and landowners from**  
294 **agreeing on terms for an easement?**

295 A. Yes. Two adjacent landowners requested that MEC provide them with the  
296 wooden poles from the existing 161 kV line when those poles are removed.  
297 MEC has refused to do so because MEC's written environmental policy regarding  
298 treated wood poles prohibits it from granting the landowners' requests.<sup>22</sup> As a  
299 second example, a landowner who presently has two wooden H-frame structures  
300 on his property is dissatisfied with the proposed placement of two single-shaft  
301 steel poles on his property, requesting that one of the new poles instead be  
302 moved to an adjacent parcel that he does not own. Though MEC plans to place  
303 the new pole very near the property line, it remains on the same parcel because

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<sup>19</sup> MidAmerican Ex. 5.0, 7-8; MEC response to Staff DR 3.10, included as Attachment B.

<sup>20</sup> MidAmerican Ex. 5.0, 9-10.

<sup>21</sup> MidAmerican Ex. 5.0, 20; MEC response to Staff DR 1.11, included as Attachment C.

<sup>22</sup> MidAmerican Ex. 5.0, 14-17.

the affected owner of the adjacent parcel would not agree to the first landowner's request.<sup>23</sup>

(5) Usefulness of Further Negotiations

**Q. Would further negotiations be fruitful with respect to the easements that MEC has been unable to acquire?**

A. I do not know whether further negotiations might be fruitful. More than a year has passed since MEC began its negotiations with landowners, and MEC still does not know why at least one of the landowners has not granted the easement sought.<sup>24</sup> Negotiations require participation by both parties, so even for parcels where the landowner has not provided MEC reasons for refusing to grant an easement, MEC's request for eminent domain authority within its petition appears to me to be reasonable.

**Additional Consideration**

**Q. Are you aware of any additional issues that the Commission might wish to consider when evaluating and responding to MEC's petition?**

A. Yes. As previously mentioned, MVP-16 includes several projects not covered in MEC's petition. One such project is the replacement of MEC's existing 161 kV line between Oak Grove and Galesburg with a new higher-capacity 161 kV transmission line. MEC's petition seeks a CPCN for a new 345 kV transmission line, and as part of MVP-16, MEC intends to completely replace its existing 161 kV line with a new 161 kV line installed on the same single-shaft steel poles that support its proposed 345 kV line. As previously explained, MEC plans to entirely

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<sup>23</sup> MidAmerican Ex. 5.0, 26-27.

<sup>24</sup> MidAmerican response to Staff DR ENG 3.15, included as Attachment D.



remove its existing 161 kV line, including the multi-pole wooden structures.<sup>25</sup>

Though I am not an attorney, I presume MEC excluded its planned new 161 kV line from its request for a CPCN in this docket because MEC already has a CPCN for its existing 161 kV line: the 161 kV line that it plans to entirely remove. Even though MEC may not require a new CPCN from the Commission to upgrade its existing 161 kV line, the Commission may wish to grant MEC two new CPCNs that cover MEC's upgraded 161 kV line and cancel MEC's CPCN for the existing 161 kV line once that line is removed.

**Q. Why do you make this suggestion?**

A. My primary reason for making this suggestion is that in a separate docket, Docket No. 14-0572, MEC and AIC jointly explain their intent that ownership of the southern 17 miles of MEC's proposed new 32-mile 161 kV line will transfer from MEC to AIC. The petition in Docket 14-0572 explains that AIC plans to construct a new distribution substation, Mercer Substation, about 17 miles northwest of ATXI's proposed Sandburg Substation. AIC plans to connect the proposed Mercer Substation to MEC's existing Oak Grove to Galesburg 161 kV line, but when MEC completes upgrades to its 161 kV line, AIC plans to purchase the segment of the new 161 kV transmission line between its Mercer Substation and ATXI's Sandburg Substation. A diagram illustrating MEC's and Ameren's future ownership of these various transmission system components is included as Attachment E.<sup>26</sup>

**Q. Why should the Commission consider MEC's and AIC's request in Docket No. 14-0572 in this proceeding?**

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<sup>25</sup> MidAmerican Ex. 2.0, 7-8.

<sup>26</sup> Docket 14-0572, Petition, Appendix C, 4.

A. In relevant part, MEC and AIC's joint petition in Docket No. 14-0572 requests that the Commission:

(1) declare that the purchase by Ameren Illinois of certain Illinois-based electric transmission assets of MidAmerican is exempt from approval pursuant to Section 7-102 of the Illinois Public Utilities Act ("Act") and 83 Illinois Administrative Code 105.40 or, in the alternative, approve the purchase pursuant to Section 7-1022; or (2) if the Commission must approve the purchase, approve the Transmission Facilities Purchase Agreement Agreement [sic] ("Agreement") and its exhibits attached to this Petition as Appendix A; (3) transfer to Ameren Illinois the franchises, licenses, permits or rights to own said assets pursuant to Section 7-203 of the Act; (4) transfer to Ameren Illinois the necessary portions of the electric transmission Certificates of Public Convenience and Necessity ("Certificates") in the name of or that were granted to MidAmerican pursuant to Section 8-406 of the Act; and (5) grant all other necessary and appropriate relief necessary to approve the purchase by Ameren Illinois of the assets, and approve the Transaction as it relates to the Commission's jurisdiction. (See 220 ILCS 5/7-102, 5/7-203, and 5/8-406; 83 Ill. Admin. §105.40, and 200.220).  
Docket No. 14-0572, Petition,1-2. [emphasis added].

The underlined Item (4) within the joint petition in Docket 14-0572 specifically requests that the Commission transfer to AIC the necessary portions of the CPCN for the 161 kV transmission line granted to MidAmerican pursuant to Section 8-406 of the Act. Appendix E to the Petition in Docket No. 14-0572 includes a copy of MEC's existing CPCN, which I understand was issued to MEC's predecessor, Iowa-Illinois Gas and Electric Company on November 16, 1955.<sup>27</sup> This existing CPCN covers the entire route of the existing 161 kV transmission line between Oak Grove and East Galesburg. It is unclear to me how the Commission could transfer to AIC a portion of MEC's existing CPCN, especially considering the line to be transferred will be the new 161 kV transmission line that will extend from AIC's yet to be constructed Mercer

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<sup>27</sup> A copy of MEC's existing CPCN that MEC provided in Docket No. 14-0572 is included as Attachment F.

Substation to ATXI's yet to be constructed Sandburg Substation, in East Galesburg. Again, I am not an attorney, but it appears to me that if the Commission would, within its order in this docket, grant MEC two new CPCNs for MEC's new 161 kV transmission line that MEC plans to install on the same poles with the proposed 345 kV transmission line, one CPCN for the new 161 kV line from MEC's Oak Grove to AIC's proposed Mercer Substation and a second for the new 161 kV line from AIC's proposed Mercer Substation to ATXI's proposed Sandburg Substation, the Commission could then later readily transfer the CPCN for the Mercer Substation to Sandburg Substation segment of the 161 kV line to AIC, just as MEC and AIC request in Docket 14-0572. Conversely, if the Commission were to deny the requested asset transfer by the MEC and AIC in Docket No. 14-0572, I can think of no negative consequence resulting from the Commission's issuance of two new CPCNs that identify the actual updated routing of MEC's new 161 kV transmission line.

**Q. Is the asset transfer discussed in Docket 14-0572 the only reason for your suggestion?**

A. It is the primary, but not the only reason. In addition, I am concerned that the existing CPCN may not, in all locations, accurately reflect the route of the new double-circuit 345/161 kV line that MEC proposes to construct. MEC plans to wholly replace the existing 161 kV line between Oak Grove and the Galesburg area: new wire, new poles, and some new easements. Rather than using multi-pole wooden structures on 100-foot easements, the new 161 kV transmission line will be installed on the same single-shaft steel poles that support MEC's proposed new 345 kV transmission line on 150-foot easements. The CPCN for

the existing 161 kV line (that MEC plans to remove) was issued to Iowa-Illinois Gas and Electric Company to connect two specific substations: one near Milan, in Rock Island County, and one near Galesburg, in Knox County. MEC's proposed new 161 kV line will have an additional connection point 17 miles northwest of East Galesburg, at AIC's proposed Mercer Substation, and in the south it will terminate at ATXI's proposed Sandburg Substation instead of at AIC's existing East Galesburg Substation. Again, I am not an attorney, and so I do not know whether any of these facts, by themselves, should cause the Commission to revise or amend the existing CPCN that MEC possesses for its existing 161 kV line. It is apparent, however, that neither the route deviations identified on page 5 of MidAmerican Ex. 2.0 nor the new substation terminations at Mercer Substation and Sandburg Substation could have been included or considered in the route description on pages 2 and 3 of the existing CPCN issued in 1955. Given that the Commission has the benefit of knowing about MEC's, ATXI's, and AIC's plans to construct new substations and transfer the southern 17-mile segment of MEC's proposed new 161 kV transmission line from MEC to AIC, this appears to me to be an excellent opportunity for the Commission to issue an updated CPCN to split MEC's proposed new 161 kV line into two segments in order to facilitate the transfer of the CPCN for the southern segment from MEC to AIC. I can think of no reason any party would be harmed by this approach to potentially facilitate the asset and CPCN transfer that MEC and AIC request in Docket No. 14-0572.

**Conclusion**

**Q. Will you summarize your positions regarding MEC's requests for a CPCN and orders pursuant to Sections 8-503 and 8-509 of the Act?**

A. I do not believe the Commission should approve MEC's request for a CPCN and orders pursuant to Section 8-503 and Section 8-509 for MEC's proposed 345 kV transmission line unless and/or until MEC explains how the benefits provided by its project would be affected by completion of the Rock Island Clean Line project, which the Commission approved in Docket No. 12-0560. If MEC successfully demonstrates its proposed 345 kV line is necessary whether or not the Rock Island Clean Line project is constructed, then:

- The Commission's approval of MEC's request should be contingent upon the Commission's approval of ATXI's concurrent request for a CPCN for the southern portion of MISO's MVP-16, covered in Docket No. 14-0514.
- Though not requested in MEC's petition, the Commission should issue two CPCN's for MEC's new 161 kV line between Oak Grove and the Galesburg area to replace the CPCN for the existing 161 kV transmission line: one for the segment from Oak Grove to AIC's proposed Mercer Substation, and one for the segment from AIC's proposed Mercer Substation to ATXI's proposed Sandburg Substation, in East Galesburg.
- The Commission should grant MEC's request for an order pursuant to Section 8-503 of the Act.
- The Commission should grant MEC's request for an order pursuant to Section 8-509 of the Act.

**Q. Does this conclude your prepared direct testimony?**

452     A.     Yes.

ENG 1.6

ILLINOIS COMMERCE COMMISSION

Utility Company: MidAmerican Energy Company

Regarding: Docket No. 14-0494 – Application of MidAmerican Energy Company for (i) a Certificate of Public Convenience and Necessity, pursuant to Section 8-406 of the Public Utilities Act, to construct, operate and maintain a 345,000 volt electric transmission line in Rock Island, Mercer, Henry and Knox Counties, Illinois; (ii) an order pursuant to Section 8-503 of the Public Utilities Act approving construction of the 345,000 volt electric transmission line; (iii) an order pursuant to Section 8-509 of the Public Utilities Act authorizing use of eminent domain; and (iv) such other relief as may be necessary (filed August 4, 2014).

Date Submitted:

STAFF DATA REQUEST ENG 1.6

Responder Name: David A. Lane  
Job Title: Sr. Right-of-Way Agent  
Address: 401 Douglas Street, Sioux City, Iowa 51102  
Phone: 712-277-7574

ENG 1.6 Please fully explain how MEC determined the monetary offers it made for the easements it seeks, and provide a generic copy of the documents and worksheets that MEC presented to each landowner when communicating these offers. Did MEC use the same methodology and document templates for determining and presenting its offer to each landowner? If no, explain why not, and fully explain how MEC determined which methodology and document templates it would use for each landowner.

Response: The monetary offers made for the easements MidAmerican seeks in this Docket have been made in accordance with the Methods and Factors Sheet presented at the landowner informational meetings conducted prior to beginning the acquisition of voluntary easements for this project. A generic copy of the Methods and Factors Sheet is attached as requested. The determination of the values used in the offers was based on actual land sales reports provided by Illinois Land Sales Bulletin published by Lemenager Land Services, LLC. A basis of \$12,500.00 per acre for tillable land was selected based on the actual sales averages and \$8,000.00 per acre for non-tillable land. In January of 2014, an Illinois Land Sales Bulletin update revealed that there had been a number of higher land sales reported in December of 2013. MidAmerican reviewed these sales and determined that it was necessary to amend our basis from \$12,500.00 per acre to \$15,700.00 per acre for tillable land.

Referring to the Methods and Factors Sheet, the acquisition offer is comprised of three primary sections: 1) area, 2) pole payment and 3) miscellaneous payment.

**Area:** The area payment uses the formula of the basis multiplied by 50% for new alignment, and 25% for existing alignment. Note, the majority of the acquisitions in this Docket used the 25% factor as MidAmerican is almost entirely utilizing an existing 161kV transmission line corridor.

**Pole payment:** This payment uses the factor of \$2,500.00 per pole installed on the landowner's property.

**Miscellaneous payment:** The miscellaneous payment is used primarily for additional compensation factors such as the relocation of facilities within the proposed corridor such as grain bins, buildings or other features that are inconsistent with the operation of the transmission line.

All of the sections are totaled and that result is the total compensation offered to the landowner. Upon agreement and execution of the Option for Electric Easement, MidAmerican pays the landowner twenty percent (20%) of the total compensation. The balance of the compensation would be paid to the landowner following the final approval of the regulatory process before the Illinois Commerce Commission.

The same methodology and document template has been used for all compensation offers made to landowners. Valuations were adjusted for parcels zoned commercial within the Galesburg, Illinois area.



Attachment ENG 1.6

Parcel # 0

Landowner 0

**METHODS & FACTORS**  
**Easement Payment Calculation Sheet**

**A. Land Value / Acre** \$15,700.00 / Acre

Land Values Based on an Illinois Land Sales Report

**B. Permanent Easement Area Value** \$3,925.00 / Acre

25% of land value / acre

**C. Temporary Easement Area Value** \$3,925.00 / Acre

25% of land value / acre

**D. Permanent Easement Area In Acres** 0.00 Acres

**E. Temporary Easement Area in Acres** 0.00 Acres

**F. Pole Payment** \$0.00

0 x \$2500 value per pole

**G. Payment For Permanent Easement** \$0.00

Payment = B x D

**H. Payment For Temporary Easement** \$0.00

Payment = C x E

**I. Miscellaneous Payment** 0.00

Description 0

**J. Total Easement Payment** \$0.00

Payment = F + G + H + I

**K. Easement Option Payment** \$0.00

Payment due at signing = 20% of J

**L. Balance of Total Easement Payment** \$0.00

Payment due upon exercise of option, Payment = J - K

Date: \_\_\_\_\_

Landowner:

Land Service Company, agent for  
MidAmerican Energy Company

11/11/2013

ENG 3.10

ILLINOIS COMMERCE COMMISSION

Utility Company: MidAmerican Energy Company

Regarding: Docket No. 14-0494 – Application of MidAmerican Energy Company for (i) a Certificate of Public Convenience and Necessity, pursuant to Section 8-406 of the Public Utilities Act, to construct, operate and maintain a 345,000 volt electric transmission line in Rock Island, Mercer, Henry and Knox Counties, Illinois; (ii) an order pursuant to Section 8-503 of the Public Utilities Act approving construction of the 345,000 volt electric transmission line; (iii) an order pursuant to Section 8-509 of the Public Utilities Act authorizing use of eminent domain; and (iv) such other relief as may be necessary (filed August 4, 2014).

Date Submitted: October 31, 2014

STAFF DATA REQUEST ENG 3.10

Responder Name: Steve Ambrose  
Job Title: Project Manager  
Address: 4299 NW Urbandale Drive, Urbandale, IA 50322  
Phone: 515-281-2555

ENG 3.10 At lines 136–138 of MidAmerican Ex. 5.0, Mr. Lane explains that Mr. Coyne's tile contractor visited tract RI-0010, but had not yet provided MidAmerican with an estimate for work to address the landowner's drainage concerns. Since the time of Mr. Lane's testimony, has MidAmerican and the landowner agreed to a mutually acceptable plan to handle the drainage from the site and over his farm land? Please detail any communications MidAmerican has had with this landowner since July, 2014, including any remaining disagreement regarding site drainage.

Response: We continue to work towards a mutually agreeable solution to Mr. Wayne Coyne's request to improve the site drainage southeast of the Oak Grove Substation adjacent to his farm land. We have not reached agreement on the details of the drainage plan or the applicable costs. We met with Mr. Coyne on August 6 to review the area and have since hired an experienced civil engineer to design a drainage plan that addresses his concerns. On August 21, MidAmerican provided a cost sharing proposal to Mr. Coyne for his consideration. Mr. Coyne did not respond to the proposal. On September 12, MidAmerican received a letter from an attorney indicating he is representing Mr. Coyne, requesting we work on a solution and to direct communication to him. The letter included an attachment

that had the details of a previous unrelated case. On October 6, Wayne Coyne called me to discuss the drainage plan design work that was in progress and requested a copy of it and a desire to meet to go over it when it was done. We indicated that we would provide it when we thought it was ready to construct. We completed a revised site drainage plan on October 27 and we are in the process of communicating the report and plans to Mr. Coyne for his review.

We have agreed in principle to his request to place a drain tile across his land, in a location and path as he has requested, to minimize the effects of surface runoff. He also wants to tie his farm's drainage system into the new system for the benefit of his farm fields in the region. We intend to work with Mr. Coyne towards a mutually agreeable plan. We have not received a cost estimate or plan on the drain tile work that Mr. Coyne desires on his property to make this solution effective. We offered in our proposal of August 21 to pay Mr. Coyne for a significant portion of the drain tile that would be installed on his land to make this a complete solution, but need further documentation to substantiate the expenses associated. There is no dispute concerning the need for improvements in the site drainage where it affects his farm ground. We do need Mr. Coyne's support and reasonableness on our respective scopes of how drainage is handled in the region.

**ILLINOIS COMMERCE COMMISSION**

Utility Company: MidAmerican Energy Company

Regarding: Docket No. 14-0494 – Application of MidAmerican Energy Company for (i) a Certificate of Public Convenience and Necessity, pursuant to Section 8-406 of the Public Utilities Act, to construct, operate and maintain a 345,000 volt electric transmission line in Rock Island, Mercer, Henry and Knox Counties, Illinois; (ii) an order pursuant to Section 8-503 of the Public Utilities Act approving construction of the 345,000 volt electric transmission line; (iii) an order pursuant to Section 8-509 of the Public Utilities Act authorizing use of eminent domain; and (iv) such other relief as may be necessary (filed August 4, 2014).

Date Submitted:

**STAFF DATA REQUEST ENG 1.11**

Responder Name: David A. Lane  
Job Title: Sr. Right-of-Way Agent  
Address: 401 Douglas Street-Sioux City, Iowa 51102  
Phone: 712-277-7574

ENG 1.11 Referring to lines 429-451 of MidAmerican Ex. 5.0, has Ameren Illinois Company (AIC) either relocated the distribution pole or indicated to MEC when it will do so? If yes, when did/will the relocation occur? If no, has MEC inquired of AIC when it will complete the planned relocation?

Response: Ameren Illinois Company (AIC) completed the relocation of the distribution pole referenced in this Staff Data Request on August 18, 2014. The property owners Dale Tornquist (MR-0570) and Ronald Tornquist (MR-0580) signed voluntary easements on August 19, 2014. MidAmerican will withdraw Exhibits 5.2.6, Dale Tornquist, and 5.2.7, Ronald Tornquist, and its request for the grant of the right of eminent domain for these parcels.

ENG 3.15

**ILLINOIS COMMERCE COMMISSION**

Utility Company: **MidAmerican Energy Company**

Regarding: **Docket No. 14-0494 – Application of MidAmerican Energy Company for (i) a Certificate of Public Convenience and Necessity, pursuant to Section 8-406 of the Public Utilities Act, to construct, operate and maintain a 345,000 volt electric transmission line in Rock Island, Mercer, Henry and Knox Counties, Illinois; (ii) an order pursuant to Section 8-503 of the Public Utilities Act approving construction of the 345,000 volt electric transmission line; (iii) an order pursuant to Section 8-509 of the Public Utilities Act authorizing use of eminent domain; and (iv) such other relief as may be necessary (filed August 4, 2014).**

Date Submitted: **October 31, 2014**

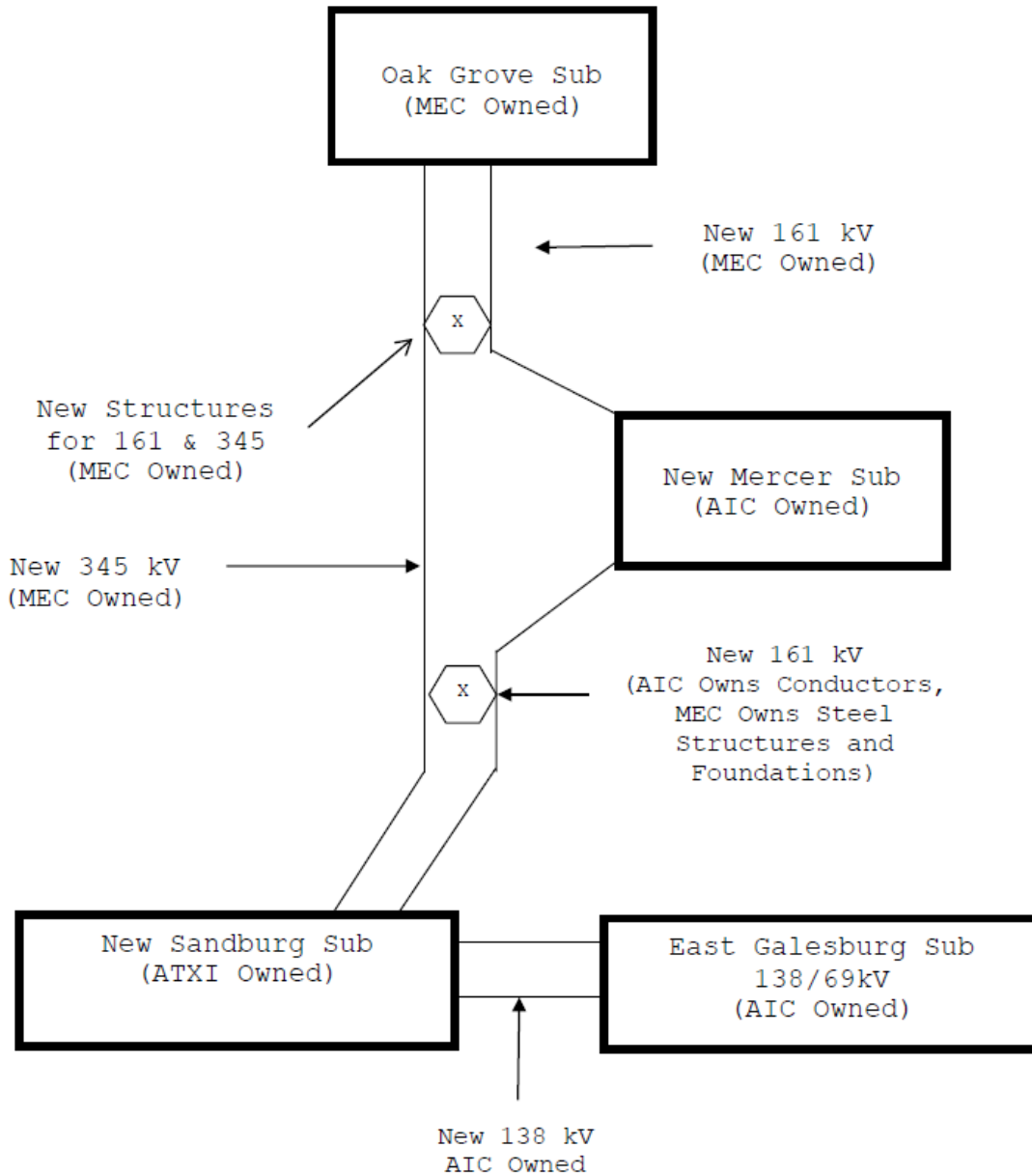
**STAFF DATA REQUEST ENG 3.15**

Responder Name: **David A. Lane**  
Job Title: **Sr. Right of Way Agent**  
Address: **401 Douglas Street- Sioux City, Iowa 51102**  
Phone: **712-574-2982**

ENG 3.15 At lines 678-681 of MidAmerican Ex. 5.0, Staff interprets Mr. Lane's testimony to indicate that MidAmerican does not know why United Contractors has not granted the voluntary easement that MidAmerican seeks across tract KX-1280. Is this a correct interpretation? Regardless, please detail any communications MidAmerican has had with United Contractors regarding the easement request since MidAmerican filed its petition in this docket.

Response: MidAmerican and United Contractors arrived at a verbal agreement on September 29, 2014. On October 6, 2014, United Contractors was notified by the Illinois Department of Transportation (IDOT) that it would be seeking additional right of way for a project on the adjacent Interstate 74. MidAmerican is in the process of completing a minor design change to accommodate the thirty foot right of way request from IDOT. Updated acquisition plats were ordered and MidAmerican is awaiting the delivery of the updated acquisition plats in order to have a final meeting with United Contractors. MidAmerican believes United Contractors is prepared to sign a voluntary easement; however, the easement has not been executed as of the date of this response.

By end of 2016





Appendix D  
Page 1 of 4

STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION

IOWA-ILLINOIS GAS AND ELECTRIC :  
COMPANY :  
 :  
Application for a certificate of :  
public convenience and necessity : No. 42732  
to construct and thereafter operate :  
and maintain a certain 161 kv electric :  
transmission line in Rock Island, :  
Henry, Mercer and Knox counties, Illi- :  
nois. :

ORDER  
and  
CERTIFICATE OF CONVENIENCE AND NECESSITY

By the Commission:

On September 22, 1955, Iowa-Illinois Gas and Electric Company, hereinafter referred to as the Petitioner, filed its application in the above matter. Pursuant to notice as required by law and by the rules and regulations of this Commission the matter came on for hearing before a duly authorized officer of the Commission at its offices in Springfield, Illinois, on October 21, 1955. At the said hearing appearance was entered by the Petitioner only.

The Commission having given due consideration to the petition, to all of the evidence, both oral and documentary, and being fully advised in the premises, is of the opinion and finds:

- (1) that Petitioner is a corporation duly authorized and existing under the laws of the State of Illinois, and as such is engaged with charter powers so to do, in the distribution and sale of electricity to the public in various municipalities and places in the State of Illinois; that Petitioner makes application in this case for a certificate of convenience and necessity to construct, operate and maintain an extension of its transmission line system as hereinafter more particularly set forth and described; and that by reason of the foregoing the Commission has jurisdiction over the subject matter herein and of Petitioner;
- (2) that Petitioner has entered into an interconnection agreement with Illinois Power Company which agreement has been presented to this Commission for approval and a hearing held thereon in Docket No. 42555; that said agreement involves an electric transmission line from Petitioner's Substation

near Milan in Rock Island County to the Substation of Illinois Power Company near East Galesburg, Knox County; that the petition herein is for a certificate of convenience and necessity for said interconnecting line; and that the purpose of said line is to provide a means for the interchange of energy which will result in improved continuity of service and increased capacity for Petitioner and Illinois Power Company;

- (3) that pursuant to the rules and practice of this Commission proper notice has been given to all public utilities whose tracks or wires will be crossed or paralleled by the facilities herein proposed;
- (4) that the route selected is reasonable, will cause little or no interference to other wire using companies;
- (5) that the construction, operation and maintenance of the proposed line will promote the public convenience and is necessary thereto;
- (6) that public convenience and necessity require such construction, operation and maintenance of said electric transmission line and Petitioner should be directed to construct, operate and maintain the proposed electric transmission line within two (2) years from the date hereof; and
- (7) that a certificate of convenience and necessity should be granted to Petitioner for the construction, operation and maintenance of the said electric transmission line herein described.

IT IS HEREBY CERTIFIED that public convenience and necessity require the construction, operation and maintenance of approximately 35.27 miles of 161 kv electric transmission line in Rock Island, Henry, Mercer and Knox counties, along a route described as follows:

Commencing at a point on the site of the Petitioner's proposed substation in the Northwest Quarter (NW $\frac{1}{4}$ ) of the Northeast Quarter (NE $\frac{1}{4}$ ) of Section Twenty-eight (28), Township Seventeen (17) North, Range Two (2) West of the Fourth Principal Meridian, Rock Island County, Illinois, thence Southeasterly through said Section Twenty-eight (28), sections Twenty-seven (27), and Thirty-four (34), said Township and Range; thence continuing Southeasterly through Sections Three (3), Two (2), Eleven (11), Fourteen (14), Twenty-three (23), Twenty-four (24), Twenty-five (25), and



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Thirty-six (36), all Township Sixteen (16) North, Range Two (2) West of the Fourth Principal Meridian, Rock Island County; thence continuing Southeasterly through Section Thirty-one (31), Township Sixteen (16) North, Range One (1) West of the Fourth Principal Meridian, Rock Island County, thence continuing Southeasterly through Sections Six (6), Seven (7), Eight (8), Seventeen (17) Twenty (20), Twenty-one (21), Twenty-eight (28), Thirty-three (33) and Thirty-four (34), all Township Fifteen (15) North, Range One (1) West of the Fourth Principal Meridian, Mercer County, Illinois; thence continuing Southeasterly through Sections Three (3), Ten (10), Eleven (11), Fourteen (14), Twenty-three (23), Twenty-four (24), Twenty-five (25) and Thirty-six (36), all Township Fourteen (14) North, Range One (1) West of the Fourth Principal Meridian, Mercer County; thence continuing Southeasterly through Section Thirty-one (31), Township Fourteen (14) North, Range One (1) East of the Fourth Principal Meridian, Henry County, Illinois; thence continuing Southeasterly through Sections Six (6), Seven (7), Eight (8), Seventeen (17), Twenty (20), Twenty-nine (29), Twenty-eight (28), and Thirty-three (33), all Township Thirteen (13) North, Range One (1) East of the Fourth Principal Meridian, Knox County, Illinois; thence continuing Southeasterly through Sections Four (4), Three (3), Ten (10), Fifteen (15), Fourteen (14), Twenty-three (23), Twenty-six (26), Twenty-five (25) and Thirty-six (36), all Township Twelve (12) North, Range One (1) East of the Fourth Principal Meridian, Knox County, to the Petitioner's proposed substation terminal in the Southeast Quarter (SE $\frac{1}{4}$ ) of the Southeast Quarter (SE $\frac{1}{4}$ ) of said Section Thirty-six (36), said Township and Range, a total distance of 35.27 miles, more or less;

all as shown on a plat marked Exhibit "A" attached to the petition in this case.

IT IS THEREFORE ORDERED by the Illinois Commerce Commission that the above certificate of convenience and necessity be, and it is hereby, granted to the Iowa-Illinois Gas and Electric Company for (1) the construction, operation and maintenance of said electric transmission line and (2) the transaction of an electric public utility business in connection therewith.

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Page 4 of 4

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IT IS FURTHER ORDERED that the Iowa-Illinois Gas and Electric Company construct and place in operation the said electric transmission line within two (2) years from the date hereof.

IT IS FURTHER ORDERED that the Iowa-Illinois Gas and Electric Company shall make a report in writing to the Secretary of the Commission five (5) days in advance of the date upon which the said electric transmission line is to be placed in operation.

By order of the Commission at Chicago, Illinois,  
this 16th day of November, 1955.

(Signed) FREDERICK B. RESAG

Secretary

(SEAL)